Status of the Claims

The listing of claims will replace all prior versions, and listings of claims in the application.

1.   (*Currently amended*) A method for processing credit transactions, comprising:

~~establishing~~ storing a predetermined threshold ratio of disputed credit transactions to total credit transactions for a period of time;

automatedly identifying a merchant with a disputed credit transaction in the period of time;

~~calculating~~ automatedly determining a number of the disputed credit transactions and a number of credit transactions involving [[a]] the merchant in the period of time;

~~calculating~~ automatedly determining a ratio of the number of disputed credit transactions to the number of credit transactions for the merchant; and

automatedly assessing a ~~chargeback~~ fee against the merchant ~~only~~ for each disputed transaction involving the merchant that exceeds the predetermined threshold ratio, when the merchant's ratio is at least equal to the predetermined threshold ratio.

2.   (*Currently amended*) The method of claim 1, wherein the period of time ~~comprising~~ comprises thirty days.

3.   (*Currently amended*) The method of claim 1, wherein the predetermined threshold ratio ~~comprising~~ comprises three percent.

4.   (*Currently amended*) The method of claim 1, further comprising:

establishing the predetermined threshold ratio based on an industry category including the merchant.

5.   (*Currently amended*) The method of claim 4, wherein the industry category ~~comprising~~ comprises a standard industrial classification code.

6.   (*Currently amended*) The method of claim 1, further comprising:

establishing the predetermined threshold ratio based on an average transaction volume of the merchant.

7.   (*Currently amended*) The method of claim 1, further comprising:

establishing storing a threshold number of time periods in which the ratio of disputed credit transactions to total credit transactions may exceed the threshold ratio;

calculating automatedly determining a number of time periods in which the ratio of the number of disputed credit transactions to the number of credit transactions for the merchant is at least equal to the threshold value; and said assessing further comprising:

automatedly assessing the chargeback fee against the merchant only for each disputed transaction that exceeds the predetermined threshold ratio, when the ratio is at least equal to the predetermined threshold ratio for the period of time and the number of time periods for the merchant is at least equal to the threshold number of time periods.

8.   (*Original*)   The method of claim 7, wherein the threshold number of time periods is greater than one.

9.   (*Currently amended*) The method of claim 8, further comprising, before the assessing:

generating a notice for transmission to the merchant when the number of time periods for the merchant is greater than zero and less than the threshold number of time periods, the notice including: the ratio of the number of disputed credit transactions to the number of credit transactions for the merchant, the predetermined threshold ratio, the number of time periods for the merchant and the threshold number of time periods.

10.   (*Original*)   The method of claim 9, further comprising:

transmitting the notice to the merchant.

11.   (*Original*)   The method of claim 8, further comprising:

generating a notice for transmission to the merchant when the number of time periods for the merchant is greater than zero and less than the threshold number of time periods, the notice including at least proposed business solution for reducing the number of disputed credit transactions involving the merchant.

12.   (*Original*)   The method of claim 7, wherein the threshold number of time periods is based on an industry category including the merchant.

13.   (*Currently amended*)   The method of claim 7, wherein the threshold number of time periods ~~comprising~~ comprises a threshold number of consecutive time periods.

14.   (*Currently amended*)   A method for processing credit transactions, comprising:

~~calculating~~ automatedly determining a ratio of disputed credit transactions to total credit transactions for each of a plurality of industry categories for a previous period of time;

determining a first threshold ratio for a first of the industry categories based on said ~~calculating~~ automatedly determining;

determining a second threshold ratio, lower than the first threshold ratio, for a second of the industry categories based on said calculating, the second of the industry categories having a lower ratio of disputed credit transaction to total credit transactions in the previous period of time than the first of the industry categories.

15.   (*Currently amended*)   The method of claim 14, further comprising:

~~calculating~~ automatedly determining a ratio of disputed credit transactions to total credit transactions ~~dispute-to-record-of-charge (ROC) ratio~~ for a merchant in the first of the industry categories; and

automatedly assessing a ~~chargeback~~ fee when the ratio of disputed credit transactions to total credit transactions ~~dispute-to-ROC ratio~~ is at least equal to the first threshold ratio.

16.   (*Currently amended*) The method of claim 15, wherein the ~~chargeback~~ fee is assessed for each disputed credit transaction that exceeds the first threshold ratio.

17.   (*Currently amended*) The method of claim 14, further comprising:

        determining a first threshold number of time periods in which the ratio of disputed credit transactions <u>to total credit transactions</u> for a merchant in the first of the industry categories exceeds the first threshold ratio, based on said calculating; and

        determining a second threshold number of time periods, lower than the first threshold number of time periods, in which the ratio of disputed credit transactions <u>to total credit transactions</u> for a merchant in the second of the industry categories may exceed the second threshold ratio, based on said calculating.

18.   (*Currently amended*) The method of claim 17, further comprising:

        ~~calculating~~ <u>automatedly determining</u> a <u>ratio of disputed credit transactions to total credit transactions</u> ~~dispute-to-record of charge (ROC) ratio~~ for the merchant for a plurality of previous time periods;

        ~~calculating~~ <u>automatedly determining</u> a number of time periods in which the <u>ratio of disputed credit transactions to total credit transactions</u> ~~dispute-to-ROC ratio~~ of the merchant is greater than the first threshold ratio; and

        <u>automatedly</u> assessing a ~~chargeback~~ fee if the merchant's current <u>ratio of disputed credit transactions to total credit transactions</u> ~~dispute-to-ROC ratio~~ is at least equal to the first threshold ratio and the number of time periods for the merchant is at least equal to the first threshold number of time periods.

19.   (*Currently amended*) The method of claim 18, further comprising:

        generating a notice for transmission to the merchant when the merchant's current <u>ratio of disputed credit transactions to total credit transactions</u> ~~dispute-to-ROC ratio~~ is at least equal to the first threshold ratio and the number of time periods for the merchant is less than the first threshold number of time periods, including a predetermined period of time in which the merchant must lower their <u>ratio of disputed credit transactions to total credit transactions</u> ~~dispute-to-ROC ratio~~ to avoid ~~chargeback~~ fees.

20.   (*Currently amended*) An   apparatus   for   processing   credit   transactions, comprising:

a processor;

a memory operative with the processor to store and retrieve a sequence of processing instructions that enable the processor to:

~~calculate~~ automatedly determine an average ratio of disputed credit transactions to total credit transactions ~~dispute-to-record-of-charge (ROC) ratio~~ for each of a   plurality of industry categories;

~~establish~~ generate a threshold ratio of disputed credit transactions to total credit transactions ~~dispute-to-ROC ratio~~ for a first of the industry categories based on ~~its~~ an automatedly determined average ratio of disputed credit transactions to total credit transactions ~~dispute-to-ROC ratio~~;

~~calculate~~ automatedly determine a ratio of disputed credit transactions to total credit transactions ~~dispute-to-ROC~~ ratio for a merchant in the first of the industry categories; and

~~automatically~~ automatedly assess a ~~chargeback~~ fee to the merchant when the merchant's ratio of disputed credit transactions to total credit transactions ~~dispute-to-ROC ratio~~ is greater than the threshold ratio of disputed credit transactions to total credit transactions ~~dispute-to-ROC ratio~~, the ~~chargeback~~ fee applied to each disputed transaction involving the merchant that causes the merchant to exceed the threshold ratio of disputed credit transactions to total credit transactions ~~dispute-to-ROC ratio~~.